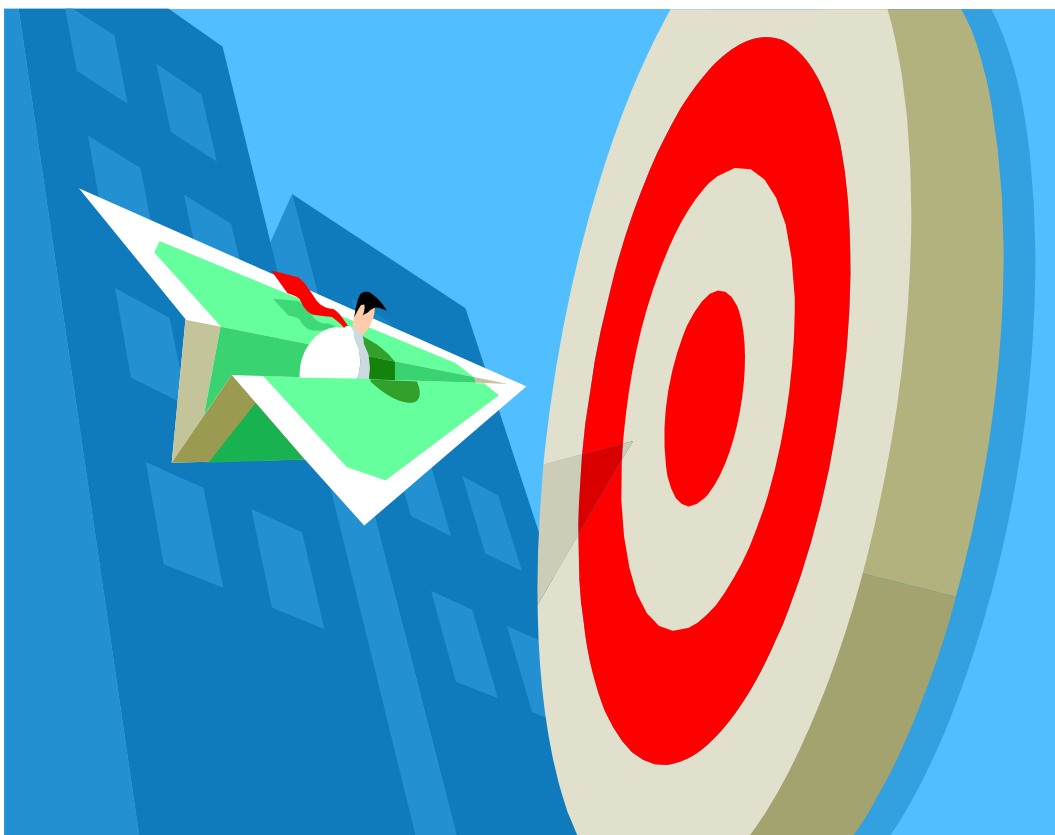# PREPARING FOR NATIONAL SCHOOL LUNCH PROGRAM REVIEWS

CHAPTER 25

PREPARING FOR NATIONAL SCHOOL LUNCH PROGRAM REVIEWS

PREPARING FOR NATIONAL SCHOOL LUNCH PROGRAM REVIEWS

This chapter provides an overview of the coordinated review effort (CRE) and School Meal Initiative Reviews (SMI).

The CRE/SMI may be conducted in conjunction with representatives of USDA in which case it is called a Federal Review. A standardized review form is used to make sure that all critical areas are reviewed the same way for all schools and all sponsors.

All SFA's are required to be reviewed for both the CRE and SMI within a 5 year review cycle; however, SFA's may be reviewed more often at the State Agency's discretion.

You will be notified with a review announcement letter prior to being reviewed. This letter will outline the review and list the items you will need to have ready for the reviewer.

Preparing for a CRE

The review looks at critical areas and general areas. The critical areas of the review include eligibility certification, counting and claiming procedures and documents and food items planned and served. The General areas of the review include the free and reduced-price meal application approval process, meal patterns, civil rights, monitoring of sites and reporting and recordkeeping responsibilities.

Are you Ready for a CRE Review?

USDA Regulations need to be followed at all times for your program to be in compliance. Here is a checklist to see if you are on the right track:

Do you:

- Approve each child's eligibility for free or reduced price meals correctly?
- Have a system to issue benefits and to update the eligibility of children approved for free and reduced price lunches?
- Serve meals that contain the required food items?
- Base claims for reimbursement on accurate meal counts taken by eligibility category at the point of service?
- Correctly record, consolidate and report meal counts on the claim for reimbursement?
- Maintain documentation to support your claims for reimbursement?

If you answered "yes" to these questions, you should not have any critical area violations.

Do you:

- Follow the procedures identified in your renewal agreement?
- Verify the correct number of applications and submit the November 15th Verification Summary Report on CNP 2000?
- Adjust meal benefits and keep verification records?
- Serve meals that meet USDA nutritional/quality requirements?
- Make sure that no child is denied benefits or discriminated against because of race, color, national origin, age, sex or disability?
- Make sure on-site reviews of each school's meal counting system are conducted by February 1st?
- Check each school's meal counts before submitting the claim for reimbursement?
- Submit reports and keep records as required?
- Incur only allowable expenditures for CNP?
- Follow all Federal and State procurement procedures?
- Adhere to the requirements for the School Breakfast program, including Severe Need and Provision guidelines?
- Adhere to the requirements of the After School Snack Program, if applicable?
- Adhere to regulations governing the use of USDA commodities?

If you answered "yes" to these questions, you should not have any general area violations.

School Selection

The minimum number of schools to review are determined using the following table:

# of Schools in your District	Minimum # Schools to Review	# of Schools in your District	Minimum # Schools to Review
1 to 5	1	41-60	6
6 to 10	2	61-80	7
11 to 20	3	81 to 100	10
21 to 40	4		

The information used for school selection will be for the most recent month for which a Claim for Reimbursement has been filed. The following information will be requested:

- The number of serving days for each school for the month selected.
- The highest number of free eligible for the month selected for each school.
- The number of free lunches claimed for the month selected.

Schools are selected according to the following criteria:

- Schools with a free ADP of 100% or more <u>and</u>
    - for Elementary (K-8), a free participation of 97% or more
    - for Secondary (9-12), a free participation of 77% or more
    - for Combinations, a free participation of 87% or more

Review Procedures

The CRE procedures include looking at sponsor and site records and procedures related to the "review month" and the "day of review". The review month is the most recent month for which a Claim for Reimbursement has been submitted. The CRE requires the reviewer to look at <u>additional month's</u> data if needed to determine the scope and severity of a problem and if the problem is "systemic". The school or SFA officials could be requested to provide records for any month of operation.

The CRE form is divided into Critical and General Areas.

All data collection and review procedures in the Critical Area of the review forms are designed to measure compliance with the following two performance standards as defined in the regulations.

<u>Performance Standard No. 1</u>:

All free, reduced-price and paid lunches claimed for reimbursement are served only to children who are eligible for free, reduced-price, and paid lunches, respectively, and are counted, recorded, consolidated, and reported through a system that consistently yields correct claims.

The SFA exceeds the error threshold for Performance Standard No. 1 if more than the minimum number of schools allowed (which varies with the number of schools reviewed) have an <u>inadequate system</u> for certification, issuing benefits or updating eligibility status; or for counting, recording, consolidating or reporting lunches by type, <u>or, if more than 10 percent of the free and reduced-price lunches</u> claimed for the review period are incorrect. Each school is evaluated individually. Also, the SFA automatically fails this standard if the SFA's system for consolidating claims is inadequate.

<u>Performance Standard No. 2</u>:

Lunches claimed for reimbursement within the school food authority contain food items/components as required by Program regulations.

The SFA exceeds the error threshold for Performance Standard No. 2 if <u>10 percent or more of the total number of Program lunches observed in a school food authority are missing one or more of the required food items/components</u>.

This is measured for the SFA as a whole and only for lunches observed on the day of the review.

Follow-Up Reviews

State agencies may conduct on-site follow-up reviews on SFA's that exceed one or both of the Performance Standard thresholds.

Corrective Action and Fiscal Action

1) All review findings must be corrected by the sponsor. Corrective action must be sustained. Overclaims can be recovered by USDA. This is referred to as fiscal action.

2) Under the CRE, <u>fiscal action can be extended back to the beginning of the school year or that point in time when the infraction first occurred.</u>

3) The amount of an overclaim is affected by corrective action and cannot be determined until corrective action is complete.

4) Because prompt corrective action can limit the amount of the claim, State Agency reviewers will provide the information necessary to correct errors at the exit conference. SFA and school officials should take action as soon as possible.

5) The CRE regulations provide the authority for a State Agency and FNS to withhold funds if corrective action is not taken on identified problems.

What is an SMI?

The USDA issued the final SMI for Healthy Children regulations in 1995, which requires that meals under the NSLP and SBP meet the DGA's. The SMI regulations define how the DGA's are applied to school meals.

SMI is often used as an abbreviation for all of the NSLP and SBP regulations and policies that address the nutrition standards for school meals. These SMI regulations augment the statutory nutrition requirements for the NSLP and SBP.

Preparing for an SMI Review

Each School district will be scheduled for an SMI review at least once every five years. The SA or the SMI reviewer will inform the district in advance when the review is scheduled.

This notification will include:
- Which school(s) will be selected;
- What week will be selected for review;
- When an on-site visit will be scheduled; and
- What specific information you will need to provide.

SMI Reviews Have These Goals:

- To ensure program meals meet the regulated nutrition standards, and
- To ensure that school districts receive the technical assistance and resources needed to meet the nutrition standards.

The SMI Review may be Conducted:

- Prior to the CRE,
- After the CRE, <u>OR</u>
- At the same time as the CRE.

Checklist of Materials Needed for the SMI Review

The following list contains items needed for an SMI review. Some of the items listed may be requested by the SMI reviewer prior to the review to facilitate completion of the review in the allotted time.

Breakfast and Lunch Menus for the school week being reviewed with the following information:

- Choices indicated
- Menu changes or substitutions indicated

Breakfast and Lunch Production Records for the school week being reviewed with the following information:

- Site name, meal date and menu type (breakfast or lunch)
- Forecasted number of meals by age/grade group
- All planned menu items, including milk types and desserts
- All condiments used as a complement to the reimbursable meal (i.e., mustard, salad dressing, margarine, etc.)
- Recipes used, form of food (i.e., canned, frozen, dried, halves, slices, etc.) and the brand name and product code number for all commercially processed foods.
- Serving sizes for each age/grade group of each menu item or food item served, including condiments
- Number of portions planned for each menu item, by age/grade group
- Total amount of food prepared for the planned number of servings (i.e, number of servings, pounds, cans, etc.)
- Number of leftovers and substitutions (serving size or portion amount)
- Number of portions and serving sizes for adult meals
- Number of reimbursable meals served (for each age/grade group)
- Number of non-reimbursable meals served (such as to adults)

Standardized Recipes for any menu item indicated on production records that contains more than one ingredient. The standardized recipe must include the following:

- Yield (includes serving size and number of servings)
- A list of all ingredients; including form, packing medium and fat content
- Correct measures, weights and/or pack size
- Preparation procedures
- HACCP process

Nutrition information for commercially processed food items:

- "Nutrition Facts" label or equivalent information from manufacturer. A binder containing this information is recommended to simplify the documentation.
- Child Nutrition (CN) Labels and/or Product Formulation Statement to identify the component contribution of a product toward the meal pattern – for schools on FBMP.
- Printout of nutrient analysis (if NSMP) for review week for all serving lines.